



Department of Justice

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**MASSACHUSETTS SCRAP METAL COMPANY AND
ITS PRESIDENT PLEAD GUILTY TO BID RIGGING**

WASHINGTON, D. C. -- A Massachusetts scrap metal company and its president pleaded guilty today to conspiring to rig bids on scrap metal from industrial plants in Massachusetts and Vermont, according to the Antitrust Division of the Department of Justice.

The charge resulted from a Massachusetts grand jury investigation of bid rigging in the scrap metal industry.

The Department said a one-count felony charge was filed in U.S. District Court in Springfield, Massachusetts, against A. Shapiro & Sons Inc. of North Adams, Massachusetts, and its president, Burton D. Shapiro.

According to the charges, the defendants and co-conspirators discussed prospective bids for scrap metal contracts, then designated which company would win each contract. To carry out the conspiracy, Burton Shapiro and the co-conspirators intentionally submitted low bids to assist each other in obtaining scrap metal contracts. The practice occurred from 1986 through 1991.

(MORE)

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the investigation was conducted by the Division's New York Field Office with the assistance of the Federal Bureau of Investigation.

The maximum penalty for a corporation convicted under the Sherman Act for a violation occurring after November 16, 1990, is a fine the greatest of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for an individual convicted under the Sherman Act for a violation occurring after November 16, 1990, is three years imprisonment and a fine the greatest of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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